



DEPARTMENT OF THE NAVY

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20350-1000

SECNAVINST 7000.11C
NAVCOMPT: NCB-322

19 APR 1991

SECNAV INSTRUCTION 7000.11C

From: Secretary of the Navy

Subj: CIVILIAN OVERTIME AND COMPENSATORY TIME ADMINISTRATION

Ref: (a) CPI 550.S1 of 10 Feb 88, subj: Premium Pay (NOTAL) (A)
(b) Title 5, United States Code
(c) OMB Circular No. A-11 of 29 Jun 89, subj: (A)
Preparation and Submission of Budget Estimates (NOTAL)
(d) NAVCOMPTINST 7420.27B of 23 Sep 87 (NOTAL) (A)

1. Purpose. To provide revised policy and procedures for the control of overtime and compensatory time per reference (a), and to provide more flexibility to employees in determining type of compensation and when compensatory leave may be used.

2. Cancellation. SECNAVINST 7000.11B.

3. Scope. This instruction applies to all headquarters, departmental, and field level facilities of the Navy and Marine Corps employing civilian personnel.

4. Background. Overtime costs and the lack of compensatory time use in lieu of irregular overtime continue to be of concern within the Department of the Navy. Consistent command level attention is needed to ensure compliance with overtime and compensatory time policies. (R)

5. Policy. The following policies are established to control overtime and compensatory time usage and minimize personnel costs.

a. Overtime and compensatory time shall be limited to cases of necessity, such as:

- (1) Urgent fleet readiness,
- (2) Emergencies,
- (3) Safeguarding life and property,
- (4) Individual incidences where savings can be clearly



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demonstrated, or

A) (5) Where the commanding officer can demonstrate that the overtime or compensatory time work cannot be accomplished during normal working hours.

b. Offices and commands shall attempt to minimize the cost impact associated with scheduling work and maintaining priorities at field activities, particularly as it pertains to changes in existing schedules and reassignment of priorities.

c. The approval of overtime or compensatory time shall be vested in the commander or commanding officer or, as delegated in writing, to at least one organizational level above the level ordering the use of overtime or compensatory time.

R) d. Authorization of overtime or compensatory time work shall be in writing in advance of the performance of the work, except when the exigency of the situation prevents prior approval, in which instance written approval will be accomplished not later than the first normal working day after the work. NAVCOMPT Form 2282, Overtime/Compensatory Time Request and Authorization, is available for this purpose. Overtime and compensatory time worked will be recorded on the standard timecard or timesheet as prescribed by the payroll office.

e. Based upon effectiveness in meeting schedules and when resulting in overall savings, consideration should be given to:

(1) Utilization of part-time and intermittent employees, and full-time employees in temporary positions.

(2) Contract work, if not in conflict with generally accepted practices of government employment.

(3) Maximum use of shift work.

f. Section 5541 of reference (b) specifically excludes members of the Senior Executive Service (SES) from payment for overtime or crediting of compensatory time. Section 5547 of reference (b) limits the payment of overtime or crediting of compensatory time to the extent that the aggregate compensation for any pay period does not exceed the maximum rate for GS-15. This provision effectively precludes the payment of premium pay to employees in executive schedule positions.

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g. However, all employees, including SES, General Schedule (GS), Performance Management and Recognition System (GM) and Federal Wage System (FWS), may be granted compensatory time off for religious observances, despite the fact that they may not be otherwise entitled to receive premium pay (General Accounting Office, 62 Comp. Gen. 589 (1983)). Compensatory time off for religious purposes does not in any way involve the payment of premium pay for any work performed in excess of an 8-hour workday or a 40-hour workweek. Thus, an employee who earns a given amount of compensatory time for religious observances cannot elect to be paid for that time; he or she has merely substituted time which, unlike traditional compensatory time off granted under 5 U.S.C. 5543, cannot replace, or result in, that employee's entitlement to premium compensation, except as noted in paragraph h below. (A)

(1) The maximum credit balance will be limited to 40 hours. Excess hours will be converted to paid or unpaid leave following the precedence list in NAVCOMPT Manual, paragraph 033003-6.

(2) Religious compensatory time credit hours not worked within 90 days will be converted to paid or unpaid leave following the precedence list in NAVCOMPT Manual, paragraph 033003-6.

h. When an employee separates or transfers to another agency, the employee shall be compensated for excess religious compensatory time worked at the basic rate of pay in effect at the time worked. In this regard, earned religious compensatory time remaining in an employee's special account upon separation/transfer shall be treated in the same manner as compensatory time worked in lieu of overtime pay. Conversely, if the employee has been advanced religious compensatory time and has a negative balance in the special account at the time of separation/transfer, an indebtedness is created. This indebtedness may be satisfied by a charge to annual leave or the time may be charged to leave without pay and the indebtedness handled following paragraphs 033020 and 033003 of the NAVCOMPT Manual, Volume 3. (A)

i. Fair Labor Standards Act (FLSA) exempt General Schedule (GS) employees and employees covered under the Performance Management and Recognition System (GM) whose rates of basic pay are in excess of the maximum rate of grade GS-10 should be required to accrue 80 hours of compensatory time in lieu of

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overtime pay for irregular or occasional overtime work they are required to perform. Any exception will require a specific determination by the senior official of the command or activity, that an exception is in the best interest of the command or activity.

- R) j. Once an employee has accumulated 80 hours of compensatory time, overtime worked should be reported as overtime and paid at the applicable overtime rate unless the employee would prefer to continue to accumulate compensatory time in lieu of payment of overtime. However, any exception to this 80-hour accumulation limit will require a specific determination by the senior official of the command or activity, that an exception is in the best interest of the command or activity.
- R) k. The maximum amount of compensatory time that may be carried over into the next leave year is 160 hours. Any exception will require a specific determination by the senior official of the command or activity, that an exception is in the best interest of the command or activity.
- A) l. If no exception is granted to exceed the 80 hour maximum accumulation (par. 5j) or the 160 hour maximum annual carry-over (par. 5k), the excess hours will be paid as overtime. This applies to current pay period and annual carry-over processing.
- A) m. If an employee is not in a use or lose annual leave situation and has a compensatory time balance of one hour or more, annual leave taken will be converted to compensatory time used and reflected on the leave and earnings statements unless an exception is approved by the designated official as provided for in section S1-3d of reference (a).
- A) n. Compensatory time will be used or paid as overtime prior to transfer to another employing command/activity. This will be done even if the payroll office does not change.
- R) o. While the object of this instruction is to (1) provide increased flexibility to the employee in determining how overtime worked shall be compensated and when compensatory leave may be taken, and (2) to reduce the amount of paid overtime, nothing in the instruction is to be construed as encouraging or condoning the ordering or approval of unrecorded overtime or compensatory time work.

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6. Action

a. Headquarters or departmental components, commands, bureaus, and offices are responsible for the following as they pertain to their respective command and subordinate field activities:

(1) Assure that budget estimates conform with the requirements of Section 13.3, paragraph (b) of reference (c), which states in part: Increases over amounts for the preceding year for premium pay must be fully justified. In preparing estimates for overtime, agencies should analyze the use of overtime to ensure that it is used in a prudent and efficient manner; explore all reasonable alternatives to overtime (such as improved scheduling); and ensure that adequate approval, monitoring, and audit procedures are in place to avoid overtime abuses.

(2) Assure that overtime budget estimates are developed on a realistic basis, and that those amounts approved as part of the budget will be considered a firm target. It is recognized that unforeseen events can cause both the application of overtime as well as the amount used to vary from planned. However, the intent of the Office of Management and Budget (OMB) requirement cited in subparagraph (1) is negated when overtime exceeds the approved budget estimate.

(3) Assure that excessive overtime costs are not incurred. The summarized Automated Data Processing (ADP) listing of the Report of Civilian Personnel Resource Reporting System (reference (d)) furnished monthly by the Office of the Comptroller of the Navy (NCB-32) and the biweekly Overtime/Compensatory Time Report furnished by the headquarters, departmental, command or bureau civilian payroll office will assist in monitoring overtime and compensatory time use.

(4) Assure compliance with the policies in this instruction. Supplemental implementing guidance may be issued at the discretion of the individual command and in the detail considered appropriate to accomplish the objective of this instruction.

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b. Commanders and commanding officers of field activities are responsible for controlling the use of overtime in compliance with the policies in this instruction and supplemental guidance issued by their headquarters command. The biweekly Overtime/Compensatory Time Report furnished by the civilian payroll offices will assist in monitoring overtime and compensatory time use. The report identifies the following conditions which may be contrary to the guidance provided by this instruction:

(1) An employee paid overtime or credited compensatory time that used annual leave during the last pay period.

R) (2) An employee who has no forfeitable annual leave, used annual leave during the last pay period when a compensatory time balance of one hour or more was available.

(3) An employee with 30 or more cumulative paid overtime or compensatory time hours during the last three pay periods.

(4) An employee exempt from the Fair Labor Standards Act paid overtime during the last pay period.

(5) An employee with paid overtime or credited compensatory time that was reduced because of the biweekly earnings limitation.

c. Military Sealift Command (MSC) and area commanders will assure compliance with the revised policy prescribed in this instruction. For ships manned by civilian marine employees, it is intended that these policies apply only to discretionary overtime approved by the ship's master, and not to the mandatory overtime provided for by specific union agreements.

R) 7. Form. NAVCOMPT Form 2282 (Rev. 2-83), Stock Number 0104-LF-702-2820, is available through normal Navy supply channels per NAVSUP P-2002.

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